From: Roy Seneca/R3/USEPA/US Sent: 2/1/2012 7:32:48 AM

To: Shawn Garvin/R3/USEPA/US@EPA; William Early/R3/USEPA/US; Daniel Ryan/R3/USEPA/US@EPA;

Jennie Saxe/R3/USEPA/US@EPA; Ron Borsellino/R3/USEPA/US@EPA; Kathy Hodgkiss/R3/USEPA/US@EPA; Dennis Carney/R3/USEPA/US@EPA; Gerald

Heston/R3/USEPA/US@EPA; Michael Kulik/R3/USEPA/US@EPA; Joan Schafer/R3/USEPA/US@EPA;

Terri-A White/R3/USEPA/US@EPA; David Sternberg/R3/USEPA/US@EPA; Cecil

Rodrigues/R3/USEPA/US@EPA; Heather Gray/R3/USEPA/US@EPA; Humane Zia/R3/USEPA/US@EPA; KarenD Johnson/R3/USEPA/US@EPA; capacasa.jon@epa.gov; Thomas Damm/CBP/USEPA/US@EPA; JohnJ Butler/R3/USEPA/US@EPA; Helen Duteau/R3/USEPA/US@EPA; Trish Taylor/R3/USEPA/US;

Alexander Mandell/R3/USEPA/US@EPA; Fetzer.Richard@epamail.epa.gov; Walter

Wilkie/R3/USEPA/US@EPA; Amy Johansen/R3/USEPA/US@EPA; Stacie Driscoll/R3/USEPA/US@EPA;

Michael DAndrea/R3/USEPA/US@EPA; Brian Nishitani/R3/USEPA/US@EPA

CC:

Subject: Scranton Times-Tribune (2-1) Cabot raises new questions about EPA data in Dimock

## Cabot raises new questions about EPA data in Dimock

By Laura Legere (Times-Shamrock Writer) Published: February 1, 2012

Cabot Oil and Gas Corp. sharply criticized federal regulators' rationale for investigating a potential link between the company's natural gas operations and contamination in Dimock Twp. water supplies on Tuesday, saying the government selectively cited or misinterpreted past water quality data to justify its probe.

The statement was Cabot's fifth in less than two weeks seeking to raise doubts about an ongoing investigation renewed in December by the Environmental Protection Agency that involves widespread water sampling in the Susquehanna County township where Cabot has drilled dozens of Marcellus Shale natural gas wells.

The EPA is providing replacement drinking water supplies to four homes where water tests taken by Cabot, the state and others raised health concerns the agency said range from "potential" to "imminent and substantial" threats. It is also performing comprehensive water tests on as many as 66 wells in a 9-square-mile area of Dimock.

In its statement Tuesday, Cabot said the data shows there are "no health concerns with the water wells." Instead, the agency's decision to deliver water was based on data points the EPA selected over years of Cabot sampling, the company said, "without adequate knowledge or consideration of where or why the samples were collected, when they were taken, or the naturally occurring background levels for those substances throughout the Susquehanna County area."

"It appears that EPA selectively chose data on substances it was concerned about in order to reach a result it had predetermined," it said.

In its statement and through a spokesman, Cabot said the data highlighted by the EPA to justify its investigation is often old, "cherry-picked" to ignore more representative data, mistakenly attributed to the wrong sources or explained by natural conditions.

For example, the driller said the evidence EPA highlighted to show high arsenic levels in one water well was actually "a sample of the local public water supply that is provided to the town of Montrose by Pennsylvania American Water" - a contention Pennsylvania American Water refuted Tuesday with test data from the Montrose public water supply.

DIM0085557 DIM0085557

"We test for arsenic in all of our water systems," Pennsylvania American Water spokeswoman Susan Turcmanovich said. "If there was any detection of arsenic at any level, it would be reported in the water quality report" sent to all of its customers and posted online. The reports for 2010 and 2011 show arsenic was not detected at any level, she said.

Cabot said a high sodium level cited by the EPA was found in a sample that was taken after the water ran through a softener, which raised the sodium by three to four times the level found straight from the water well.

It also said arsenic and manganese - two of the contaminants found at elevated levels and flagged by the EPA - are naturally occurring and "not associated with natural gas drilling."

Both compounds are often found in the large quantities of wastewater that flow back from Marcellus Shale wells after hydraulic fracturing, or fracking, but Cabot spokesman George Stark said the company does not use either compound in its operations and there is "no natural pathway" underground for the wastewater to reach aquifers.

The EPA did not issue a direct response to Cabot's newest statement. Instead, it released a letter from an assistant administrator and regional administrator sent Tuesday in response to an earlier letter from Cabot CEO Dan Dinges to EPA Administrator Lisa Jackson raising concerns about the investigation.

"We did not take this step lightly but felt compelled to intervene when we became aware of monitoring data, developed largely by Cabot, indicating the presence of several hazardous substances in drinking water samples, including some at levels of health concern," wrote Mathy Stanislaus, assistant administrator for the Office of Solid Waste and Emergency Response, and Region 3 Administrator Shawn M. Garvin.

"Because the data available was incomplete and of uncertain quality, we determined that additional monitoring was prudent."

The agency began providing replacement water only after it asked Cabot to deliver water and the company refused, they wrote.

Under criticism from both Cabot and Pennsylvania regulators for their actions, the administrators also emphasized the legal and scientific basis for their actions, which they called complementary with the state's role. The Superfund law, which the EPA said authorizes its Dimock investigation, has allowed the agency to undertake similar water deliveries and investigations at "hundreds of sites across the country... when the presence of hazardous substances posed a potential risk to drinking water." they wrote.

"States have important front-line responsibilities in permitting natural gas extraction, and we respect and support their efforts," they wrote. "But EPA likewise has important oversight responsibilities and acts as a critical backstop when public health or the environment may be at risk."

Roy Seneca EPA Region 3 Press Officer Office of Public Affairs seneca.roy@epa.gov (215) 814-5567

DIM0085557 DIM0085558